UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

The Detroit Edison Company)	Docket Nos. PP-21-1 & PP-58-1
)	

REQUEST OF THE DETROIT EDISON COMPANY TO AMEND PRESIDENTIAL PERMITS

Pursuant to Executive Order No. 10485, as amended by Executive Order No. 12038; Section 202(e) of the Federal Power Act, 16 U.S.C. § 824(e); and Section 320, et seq., of the Rules of Administrative Procedure of the Department of Energy ("DOE" or the "Department"), 10 C.F.R. § 205.320 et seq., The Detroit Edison Company ("Detroit Edison") respectfully requests DOE to amend the Presidential Permits held by Detroit Edison to permit modifications to facilities interconnecting Detroit Edison with Ontario Hydro on the United States-Canada border (the "Interconnection Facilities"). Detroit Edison holds Presidential Permits PP-21 (as amended), PP-38, and PP-58. Detroit Edison requests authorization permitting Detroit Edison to modify the operating voltage of one of the four Interconnection Facilities and to modify certain transformation and communication equipment at the terminals of the Interconnection Facilities. To ensure the reliability of service provided over the Interconnection Facilities and over the transmission systems located in regions adjacent to the Interconnection Facilities, Detroit Edison commits that the operation of the Interconnection Facilities, as modified, will comply with all applicable criteria, standards, and guidelines established by the North American Electric Reliability Council ("NERC") and all regional reliability councils of which Detroit Edison is a member.

In support of this application, Detroit Edison will submit reliability and power flow

information concerning the impacts of the modifications to the Interconnection Facilities discussed

herein.

Detroit Edison hereafter provides the information required under Section 205.322 of the

DOE's regulations, 10 C.F.R. § 205.322.

I. INFORMATION REGARDING APPLICANT

1. The exact legal name of the applicant is The Detroit Edison Company. Detroit Edison

is a regulated public utility incorporated under the laws of the State of Michigan and is authorized

to conduct business in Michigan. Detroit Edison has its principal offices at 2000 Second Avenue,

Detroit, Michigan. Detroit Edison is engaged in the business of generating, purchasing, transmitting,

distributing, and selling electric energy in a contiguous 7,600 square mile service territory in

Southeastern Michigan.

2. The Detroit Edison Company is not a party to a partnership agreement with any entity

with relation to the Interconnection Facilities.

3. Communications concerning this application should be addressed to the following:

Raymond O. Sturdy, Jr.

The Detroit Edison Company 2000 Second Avenue - 688WCB

Detroit, Michigan 48226-1279

Tel: (313) 235-8340

John D. McGrane Michael C. Griffen

Morgan, Lewis & Bockius, LLP

1800 M Street, N.W.

Washington, D.C. 20036-5869

Tel: (202) 467-7000

4. All of Detroit Edison's transmission facilities are wholly owned by Detroit Edison.

The portion of the transmission lines that cross the international border that are located in Michigan

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are wholly owned by Detroit Edison. The portion of those lines that are located in Ontario are owned by Ontario Hydro.

- 5. Detroit Edison is party to an Interconnection Agreement among Detroit Edison, Consumers Energy Company, and Ontario Hydro, dated as of January 29, 1975, as amended on July 20, 1976; June 21, 1979; April 1, 1985; October 3, 1988; and February 1, 1991. A copy of the Interconnection Agreement is on file with the DOE Office of Fossil Energy.
- 6. A signed opinion of counsel, stating that the construction, connection, operation, and maintenance of the proposed facilities are within the corporate powers of the applicant and that the applicant has complied with or will comply with all pertinent federal and state laws, is attached hereto as Attachment A.

II. INFORMATION ABOUT THE FACILITIES

The electrical systems of Detroit Edison and Ontario Hydro are interconnected at four points on the border between the United States and Canada. The Federal Power Commission issued Presidential Permits authorizing the installation and operation of each interconnection facility. See 54 FPC ¶ 332 (1975); 48 FPC 752 (1972); 35 FPC 292 (1966); 16 FPC 1348 (1956); and 12 FPC 1359 (1953). These facilities are identified as follows:

- (a) Facility B3N, a 230 kV transmission line connecting Detroit Edison's Bunce Creek Station, located in Marysville, Michigan, with Ontario Hydro's Scott Transformer Station, located in Sarnia, Ontario, authorized under Presidential Permit PP-21;
- (b) Facility L4D, a 345 kV transmission line connecting Detroit Edison's St. Clair Generating Station, located in East China Township, Michigan, with Ontario Hydro's Lambton Generating Station, located in Moore Township, Ontario, authorized under Presidential Permit PP-38;

- (c) Facility L51D, a second 345 kV transmission line connecting Detroit Edison's St. Clair Generating Station, located in East China Township, Michigan, with Ontario Hydro's Lambton Generating Station, located in Moore Township, Ontario, authorized under Presidential Permit PP-58; and
- (d) Facility J5D, a 230 kV transmission line connecting Detroit Edison's Waterman Station, located in Detroit, Michigan, with Ontario Hydro's J. Clark Keith Generating Station, located in Windsor, Ontario, authorized under Presidential Permit PP-21.

Detroit Edison does not propose to make any physical changes to the existing overhead conductors, shield wires, supporting structures, or rights of way currently authorized in the above-cited Presidential Permits. Detroit Edison does, however, request authorization permitting it to install a new 230/345 kV 950 MVA voltage-regulating autotransformer at the terminal of the L51D interconnection facility within Detroit Edison's existing St. Clair Generating Station switchyard. Installation of this autotransformer will reduce the current operating voltage of the L51D interconnection from 345 kV to 230 kV. At its Bunce Creek Station switchyard, Detroit Edison will install and operate a new 230 kV 850 MVA phase-shifting voltage regulating transformer on the B3N interconnection. In order to ensure that the interchange capability of the Interconnection Facilities will not be impaired, Detroit Edison and Ontario Hydro will also modify existing transformation and communications equipment within the existing Bunce Creek, Scott, and Waterman Station switchyards and the St. Clair, Lambton, and J. Clark Keith Generating Stations in Michigan and Ontario.¹

¹Detroit Edison provides information with respect to the modifications that Ontario Hydro will make to its facilities located in Canada for informational purposes only. The Department of Energy does not have jurisdiction over those Canadian facilities, and Detroit Edison does not seek authorization on Ontario Hydro's behalf with respect to modifications to those facilities.

At its Lambton Generating Station, Ontario Hydro will reconfigure the existing 230/345 kV 650 MVA voltage-regulating autotransformer currently installed on the L51D interconnection so that it will operate in parallel with the existing 230/345 kV 650 MVA voltage-regulating autotransformer currently installed on the L4D interconnection. Ontario Hydro also will install and operate new 230 kV 850 MVA phase-shifting voltage regulating transformers on the L51D and L4D interconnections within its Lambton Generating Station switchyard.

There will be no physical modifications to the Interconnection Facilities that cross the border, and all exports of electricity through the Interconnection Facilities will be made in accordance with Electricity Export Authorization EA-58-F, under which the Department of Energy has authorized Detroit Edison and Consumers Energy Company to export electricity to Canada over the Interconnection Facilities at a maximum instantaneous transmission rate of 2,200,000 KVA. Order No. EA-58-F (December 31, 1997). To ensure the reliability of service provided over the Interconnection Facilities and over the transmission systems located in regions adjacent to the Interconnection Facilities, Detroit Edison commits that the operation of the Interconnection Facilities, as modified, will comply with all applicable criteria, standards, and guidelines established by NERC and all regional reliability councils of which Detroit Edison is a member.

Technical information detailing the installation of transformation equipment in the Lambton and St. Clair Generating Station switchyards and the Bunce Creek Station is provided in Attachment B. As noted, Detroit Edison will submit reliability and power flow information concerning the impacts of the modifications to the Interconnection Facilities discussed herein.

III. ENVIRONMENTAL IMPACT INFORMATION

The modifications to the Interconnection Facilities for which Detroit Edison seeks authorization will be made in their entirety within the boundaries of Detroit Edison's St. Clair Station and Bunce Creek Station. All modifications will be made to facilities already subject to Presidential Permits, and none of the modifications will entail major construction work. None of the modifications are for the integration of a major new source of generation into a main transmission system. For these reasons, the proposed modifications to the Interconnection Facilities will not have any significant environmental impact. Accordingly, there is no need for an Environmental Impact Statement or Environmental Assessment in conjunction with the proposed modifications.

IV. PRACTICAL ALTERNATIVES TO PROPOSED MODIFICATIONS

Detroit Edison has been unable to identify any practical alternatives to the modifications to the Interconnection Facilities for which it seeks authorization.

V. SERVICE AND FEE

In accordance with the requirements of 10 C.F.R. § 205.326, copies of this application will be provided to the following:

David P. Boergers, Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426 Dorothy Wideman, Executive Secretary Michigan Public Service Commission 6545 Mercantile Way Lansing, Michigan 48910

A check in the amount of \$150 made payable to the Treasurer of the United States is enclosed in payment of the fee specified in 10 C.F.R. § 205.326.

VI. REQUEST FOR EXPEDITED CONSIDERATION

Detroit Edison respectfully requests that DOE act on this request in an expedited manner in order to permit it to plan the modifications discussed herein and to allow it to order the custom-manufactured equipment required to complete these modifications, if authorized to proceed. Accordingly, Detroit Edison requests that notice of this filing be published in the Federal Register as soon as practicable; that the period for the submission of comments, protests, or requests to intervene be shortened; and that DOE issue its order in a expedited manner.

VI. **CONCLUSION**

For the foregoing reasons, The Detroit Edison Company respectfully requests the Department

of Energy to amend Presidential Permits PP-21 (as amended), PP-38, and PP-58 to permit

modification of the Interconnection Facilities authorized thereunder.

Respectfully submitted,

Raymond O. Sturdy, Jr. The Detroit Edison Company

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Attorneys for The Detroit Edison Company

Dated: December 8, 1998

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ATTACHMENT A

OPINION OF COUNSEL

Attachment A

Statement and Opinion of Counsel

The undersigned, being Vice President and General Counsel for The Detroit
Edison Company (the "Company"), states and gives his opinion, pursuant to 10 CFR
Section 205.322(a)(6) of the Regulations of the Office of Utility Systems of the
Economic Regulatory Administration as follows: (a) that he has examined and is familiar
with the corporate powers of the Company, pursuant to the Company's Articles of
Incorporation and By-laws; (b) that he had examined and is familiar with the contents of
the Request of The Detroit Edison Company to Amend Presidential Permits to which this
statement and opinion is attached as an exhibit; (c) that in his opinion the construction,
connection, operation and maintenance of the facilities as proposed in the Request is
within the corporate power of the Company; and (d) that, with respect thereto, the
Company has complied or will comply with all pertinent federal and state laws.

DATED December 8, 1998

Christopher C. Nern

Vice President and General Counsel

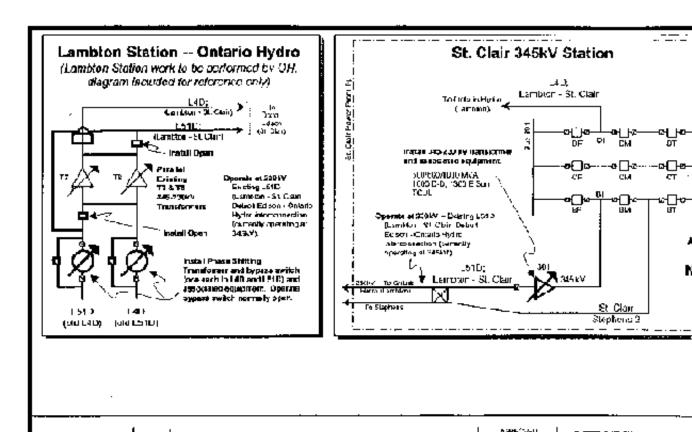
The Detroit Edison Company

2000 2nd Avenue

Detroit, MI 48226

ATTACHMENT B

TECHNICAL INFORMATION



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OPERATOR		
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TRANS PEC-1		

Install 345-230kV Transformer St. Clair 345kV Station

IN-SERVICE DATE Numer: 2000

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